

Michigan Historic Preservation Tax Credit Assignment

PART 1: ASSIGNOR IDENTIFICATION

1. Assignor Name	2. Tax Year End	3. Account No. (FEIN or TR No.)
Street Address	4. Project Number	5. Date Project was Certified as Completed
City, State, ZIP	6. Organization Type (check one) <input type="checkbox"/> Partnership/LLC-Partnership <input type="checkbox"/> Limited Liability Company-Corporation <input type="checkbox"/> S Corporation	
	7. Indicate the Method Used to Assign the Credit <input type="checkbox"/> Alternative Method (attach details) <input type="checkbox"/> % of Ownership	

PART 2: CREDIT CALCULATION

8. State Equalized Value (SEV)	8.	.00
9. Qualified Expenditures	9.	.00
10. Multiply line 9 by 25% (.25)	10.	.00
11. Enter the total amount of credit claimed on U.S. 3468, Investment Credit, line 1c	11.	.00
12. Michigan Historic Preservation Tax Credit. Subtract line 11 from line 10	12.	.00

PART 3: ASSIGNING THE CREDIT (see back of form for more space)

A.	B.	C.	D.	E.
Assignee Account Number (FEIN, TR or SSN) (Assignor)	Assignee Name	Date Assignee's Tax Year Ends	% of Credit to be Assigned	Assigned Credit (multiply line 12 by Column D. Enter here and on Form 3581, line 8, for each assignee)
13a.				
13b.				
13c.				
13d.				
13e.				
13f.				
13g.				
13h.				

I certify that the information provided on this return is accurate and that the assignees agree that the assigned credit is the amount to be claimed on their individual or single business tax return.

100%

Assignor's Signature

PART 3: ASSIGNING THE CREDIT (Con't)

A.	B.	C.	D.	E.
Assignee Account Number (FEIN, TR or SSN)	Assignee Name	Date Assignee's Tax Year Ends	% of Credit to be Assigned	Assigned Credit (multiply line 12 by Column D. Enter here and on Form 3581, line 8, for each assignee)
13i.				
13j.				
13k.				
13l.				
13m.				
13n.				
13o.				
13p.				
13q.				
13r.				
13s.				
13t.				
13u.				
13v.				
13w.				
13x.				
13y.				
13z.				

## Instructions for Form 3614

### Michigan Historic Preservation Tax Credit Assignment

The purpose of this form is to allow Single Business Tax filers to calculate and assign the Michigan Historic Preservation Tax Credit. The Michigan Historic Preservation Tax Credit provides tax incentives to rehabilitate historic resources located in Michigan.

The Single Business Tax assignor must complete the *Michigan Historic Preservation Tax Credit Assignment*, Form 3614, **after** the date the State Historic Preservation Office (SHPO) issues the Certificate of Completed Rehabilitation and **before** any assignee files a tax return to claim the credit. The date the SHPO issued the Certificate of Completed Rehabilitation is found on either the Historic Preservation Certification Application, Part 3, or on the Michigan Verification of Tax Credit Eligibility letter received from the SHPO.

#### Assignment of the Credit

A qualified taxpayer who is a partnership, limited liability company, or S Corporation may assign all or a portion of its Michigan Historic Preservation Tax Credit to its partners, members, or shareholders. The qualified taxpayer must assign its credit during the tax year in which the Certificate of Completed Rehabilitation is issued.

The credit assignment cannot be revoked or reassigned. An assigned credit amount must be claimed against the partner's, member's, or shareholder's SBT liability in the fiscal or calendar year which includes the assignor's tax year-end. An individual must claim the assigned credit amount in the calendar year in which the assignor's tax year ends.

The assigned credit must be based on the partner's, member's, or shareholder's proportionate share of ownership or an alternative method approved by the Department of Treasury. This form and required attachments must be submitted to the Michigan Department of Treasury prior to the filing of any tax return to claim a credit. The Department will review this form and attachments and return an approved Form 3614 to the assignor. The assignor must furnish each assignee with a copy of the approved form to attach to their tax return.

A separate Form 3614 must be completed for each project.

#### The Michigan Historic Preservation Tax Credit

The Michigan Historic Preservation Tax Credit is available to qualified taxpayers with a rehabilitation plan certified after December 31, 1998. The credit must be claimed in the year that the Certification of Completed Rehabilitation of the historic resource is issued, and within five years of the year the rehabilitation plan was certified.

Qualified taxpayers may receive a Michigan credit equal to 25 percent of the qualified expenditures. For qualified taxpayers eligible for the federal credit under Section 47(a)(2) of the Internal Revenue Code (IRC), the Michigan credit is 25 percent of the qualified expenditures less the amount of the federal credit claimed.

The Michigan Historic Preservation Tax Credit is a nonrefundable credit. However, if the credit exceeds the taxpayer's tax liability, the balance of the credit may be carried forward for up to ten years.

**Note:** If the resource is sold or the Certification of Completed Rehabilitation is revoked less than five years after the credit is claimed, a percentage of the credit will be subject to recapture. If the credit has been assigned, the recapture is the responsibility of the assignee.

#### Eligibility

The Michigan Historic Preservation Tax Credit is available to eligible assignees, owners or long-term lessees of qualified historic resources who undertake rehabilitation projects that are certified by the State Historic Preservation Office of the Michigan Historical Center.

Property owners undertaking rehabilitation projects on depreciable properties that qualify for the Federal Historic Preservation Tax Credit must first apply for the federal credit.

#### Qualified Expenditures

Qualified expenditures are capital expenditures that qualify for the federal rehabilitation credit if the qualified taxpayer is eligible for that credit or capital expenditures that would qualify for the federal credit except that the expenditures were made for a historic resource that is not eligible for the federal credit. A qualified taxpayer with qualified expenditures eligible for the federal credit must claim and receive the federal credit to qualify for the Michigan credit. The qualified expenditures must be paid after December 31, 1998 for the rehabilitation of a historic resource but not more than five years after the certification of the rehabilitation plan.

The amount of the qualified expenditures must be equal to or greater than 10 percent of the State Equalized Value (SEV) of the rehabilitated property. If the historic resource to be rehabilitated is part of a historic or non-historic resource, only the SEV for that portion can be used. If the SEV has not been determined for the historic portion, or if the historic resource to be rehabilitated does not have an SEV, the total qualified expenditures must be equal to or greater than 5 percent of the resource's appraised value.

#### Line-By-Line Instructions

*Lines not listed are explained on the form.*

#### PART 1: Assignor Identification

**Line 1.** Enter the name and address of the partnership, limited liability company, or S corporation who is assigning the Michigan Historic Preservation Tax Credit. The assignor must be an owner or long-term lessee of a qualified historic resource.

**Line 3, Assignor Account Number.** Enter the assignor's account number.

**Line 4, Project Number.** Enter the project number assigned by the State Historic Preservation Office.

**Line 5, Date Project Certified as Complete.** Enter the date the State Historic Preservation Office issued the Certification of Completed Rehabilitation. This date is found either on the Historic Preservation Certification Application, Part 3, or on the Michigan Verification of Tax Credit Eligibility letter received from the SHPO.

**Line 6, Organization Type.** Check the box that describes the organization type of the assignor's business. If the organization is

a limited liability company that is taxed as a partnership, check Partnership/LLC-Partnership. If the organization is a limited liability company that is taxed as a corporation, check Limited Liability Company-Corporation.

**Line 7, Indicate the Method Used to Assign the Credit.** Check the method being used to assign the credit. If approval to use an alternative method is being requested, attach documentation explaining this method of assignment.

#### PART 2: Credit Calculation

**Line 8, State Equalized Value (SEV).** Enter the amount of the SEV for the historic resource to be rehabilitated.

**Line 9, Qualified Expenditures.** Enter the qualified expenditures for the rehabilitation of the historic resource. Qualified expenditures **must be paid after December 31, 1998**, but not more than five years after the certification of the rehabilitation plan.

**Line 11.** If eligible, the Federal Rehabilitation Credit must first be claimed on U.S. Form 3468, *Investment Credit*. Enter the amount from U.S. Form 3468, line 1c, for property located in Michigan. If qualified expenditures for the federal credit include amounts paid before **December 31, 1998**, you must subtract the portion of the federal credit that is based on the qualified expenditures reported on line 9. Enter only that portion of the credit that is based on the qualified expenditures reported on line 9.

**Line 12, Michigan Historic Preservation Tax Credit.** Subtract line 11 from line 10 and enter the results here.

#### PART 3: Assigning the Credit

**Line 13.** If the partnership, limited liability company, or S Corporation is retaining a portion of the credit, the assignor must enter the requested information in row 13a. In the following rows enter the requested information for each assignee partner, member, or shareholder. See back of form for additional space if needed.

**Column A, Assignee Account Number.** Enter the account number of the assignee partner, member, or shareholder. If the assignee is a business, enter the Federal Employer Identification Number (FEIN) or Treasury Number assigned (TR). If an assignee is not a business, enter a social security number (SSN).

**Column C, Date Assignee's Tax Year Ends.** An assigned credit amount must be claimed against the partner's, member's, or shareholder's SBT liability in the fiscal or calendar year which includes the assignor's tax year-end. An individual must claim the assigned credit amount in the calendar year in which the assignor's tax year ends.

**Column D, Percentage of Credit to be Assigned.** Enter the percentage of credit to be assigned to each partner, member, or shareholder. The method being used to assign the credit was indicated on line 7. If approval to use an alternative method is being requested, attach documentation explaining this method of assignment. The total of column D must equal 100%.

**Column E, Assigned Credit.** Multiply the amount on line 12 by the percentage in column D. This is the amount of the assignee's credit. Each assignee must enter this amount on the *Michigan Historic Preservation Tax Credit*, Form 3581, line 8. The total of all entries in column E must equal the amount on line 12.

**Signature.** This form must be signed by the assignor to be valid.

#### Attachments

For this form to be valid, the partnership, limited liability company, or S Corporation who is assigning the credit **must** attach the items listed below to the completed form:

- Historic Preservation Certification Application Part 1 – Evaluation of Eligibility, signed and dated by the Michigan Historical Center, or the Michigan Verification of Resource Eligibility letter received from the SHPO.
- Historic Preservation Certification Application Part 3 – Request for Certification of Completed Work, signed and dated by the Michigan Historical Center, or the Michigan Verification of Tax Credit Eligibility letter received from the SHPO.
- An itemized list of qualified expenditures used to compute the credit. This list must include dates paid.

#### To Claim the Assigned Credit

Each assignee **must** attach to their MI-1040, MI-1041 or C-8000, an approved *Michigan Historic Preservation Tax Credit Assignment*, Form 3614, and a completed *Michigan Historic Preservation Tax Credit*, Form 3581, with any required attachments. A partnership, limited liability company, or S Corporation who is retaining a portion of the credit must attach the same information.

#### Mailing This Form

Mail this completed form and attachments to:

Michigan Department of Treasury  
Return Processing Division  
Single Business Tax Unit  
P.O. Box 30059  
Lansing, MI 48909

#### Additional Information

Questions regarding the assignment of the credit should be directed to the Single Business Tax Area at (517) 636-4700.

If you have questions regarding federal and state certification, contact the State Historic Preservation Office, Michigan Historical Center, (517) 373-1630.

Additional information can also be found online at the Federal Heritage Preservation Services Web site at [www2.cr.nps.gov](http://www2.cr.nps.gov) and at the Michigan Department of History, Arts and Libraries Web site at [www.michigan.gov/hal](http://www.michigan.gov/hal)

Forms and further information are available on the Michigan Department of Treasury Web site at [www.michigan.gov/treasury](http://www.michigan.gov/treasury) or you can call toll-free 1-800-367-6263 to have forms mailed to you.